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Central Eurasia

Economic Review

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Economic Review

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CONTENTS

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CENTRAL EURASIA ECONOMIC REVIEW

Interregional Affairs

*CIS Socio-Economic Statistics for Jan-Apr *[DELOVOY MIR 12-18 Jun]* 1

Russia National Affairs

*First Quarter Economic Performance, Indicators Assessed *[SEGODNYA 9 Jun]* 14
*Russian Industrial Production Figures for Jan-May *[DELOVOY MIR 12-18 Jun]* 20
*Socio-Economic Situation as of 5 June 1995 *[DELOVOY MIR 15 Jun]* 28
*Decrease in Enterprises' Mutual Nonpayments Seen *[EKONOMIKA I ZHIZN May]* 39

Interregional Affairs

*CIS Socio-Economic Statistics for Jan-Apr

954Q0227A Moscow DELOVOY MIR in Russian 12-18 Jun 95 No 22, pp 41-43

[Article by Integovernmental Statistical Committee of the Commonwealth of Independent States: "The Economy in January—April"]

[FBIS Translated Text] The dynamics of key socioeconomic indices of the Commonwealth countries in January—April 1995 are characterized by the following (in percent compared to January-February 1994):

	Gross domestic product (in comparable prices);	Gross industrial production (in comparable prices);	Monetary income of the population, factors	Monetary expenditures of the population on purchase of goods and payment for services, factors	Consumer price index, factors	Retail commodity turnover through all sales channels (1) (in comparable prices)
Azerbaijan	77.8*	72.8	10.1	12.2	13.9	80.5
Armenia	117.1	122.0	7.1	12.7	6.6	180.2
Belarus	90	94.9	16.2	15.9	22.7	71.9
Georgia	-	75.6 (2)	-	-	-	325 (3)
Kazakhstan	83.5	82.5	6.9	9.5	7.4	49.6 (3)
Kirgizia	84.6	81.3	1.4	1.3	1.8	82.8
Moldova	81.1 (4)	74.9	1.5	1.5	1.5*	91.9 (3)
Russia	95	95	3.0	3.0	3.2	91
Tajikistan	81.9 (2)	73.7	1.2	2.1	1.5 (5)	109.9 (3)
Turkmenia	-	82.7 (2)	-	-	-	-
Uzbekistan	90.0 (2)	83.2	5.2	5.9	10.3*	69.5
Ukraine	89.2	87.3	4.8	5.0	5.4*	90.8 (3)

(1)Including sale at dry-goods, food, and mixed markets, as estimated by national statistical services

(2)January-March

(3)For officially registered enterprises

(4)Net material product (national revenue)

(5)Free index of retail prices and tariffs for goods and paid services

The overall upturn in export operations of the Commonwealth countries over four months of this year is estimated to be $27.1 billion, which is 12 percent higher than in the corresponding period of last year, while that of imports is estimated to be $23.4 billion, which is 20 percent more.

The increase in export operations of the Commonwealth countries is taking place essentially through an expansion in trading operations with countries of the rest of the world. Thus, by comparison with the corresponding period of last year the volume of exports to countries of the rest of the world increased by 23 percent, while that of imports—by 12 percent, whereas exports to CIS countries decreased by 9 percent and imports by 6 percent.

Industry

The change in the overall volume of industrial production and prices of the producers of those products in countries of the Commonwealth in January-April 1995

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as compared with January-April 1994 is characterized by the following data:

	Total volume of production (in comparable prices), %	Prices of the producers, factors	January-April 1994 compared to January-April 1993	
Total volume of production, %	Prices of the producers, factors			
Azerbaijan	72.8	29.1	76.0	7.3
Armenia	122.0	6.6	101.8	45.4
Belarus	94.9	20.3	66.7	32.9
Georgia (January-March)	75.6	-	28.4	-
Kazakhstan	82.5	13.8	68.8	14.5
Kirgizia	81.3	1.5	67.4	6.7
Moldova	74.9	1.7	70.4	15.1
Russia	95	3.5	76	7.1
Tajikistan	73.7	3.0	81.5	5.7
Turkmenia (January-March)	82.7	-	79.8	10.6
Uzbekistan	83.2	12.6	93.9	10.1
Ukraine	87.3	-	60.9	-

In January-April 1995, by comparison with the corresponding period of last year, on the average industrial production in the Commonwealth declined by 8.3 percent and the prices of producers of industrial products rose in that period by a factor of 6.3.

By comparison with March of this year the overall output of industrial production in April was down on the average in the Commonwealth by 5 percent and prices of the producers of industrial products rose by 15 percent. In Armenia and Moldova prices rose by 1 percent, in Kazakhstan and Kirgizia by 4.5 percent, in Belarus and Tajikistan by 7 percent, in Russia by 15 percent, in Azerbaijan by 24 percent, and in Uzbekistan by 36 percent.

By comparison with January-April 1994 the generation of electric power went down in Russia by 5 percent, in Belarus by 7 percent, in Kirgizia and Tajikistan by 9 percent, in Moldova by 21 percent, while in Azerbaijan, Kazakhstan, Uzbekistan, and in Ukraine it remained practically at the level of last year. On the average in the Commonwealth the generation of electric power was down by 4 percent.

The extraction of fuel in January-April of this year in countries which are the main producers of fuel in the Commonwealth (they account for 97-99 percent of total extraction), amounted to the following:

	Oil, including gas condensate		Gas		Coal	
	Millions of tonnes	% compared to January-April 1994	Billions of cubic meters	% compared to January-April 1994	Millions of tonnes	% compared to January-April 1994
Kazakhstan	6.1	94	1.7	103	31.3	84
Russia	102	97	212	98	91.4	91
Turkmenia (January-March)	1.0	97	10.0	87	-	-

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	Oil, including gas condensate		Gas		Coal	
	Millions of tonnes	% compared to January-April 1994	Billions of cubic meters	% compared to January-April 1994	Millions of tonnes	% compared to January-April 1994
Uzbekistan	2.3	139	17.5	100.2	0.9	73
Ukraine	1.3	96	5.9	97	31.5	86

By comparison with the corresponding period of last year the production of motor vehicle gasoline decreased in Kazakhstan by 10 percent, in Uzbekistan by 12 percent, and in Azerbaijan by 40 percent, while that of diesel fuel decreased in Kazakhstan and Russia by 7 percent and in Uzbekistan by 11 percent, and the output of fuel oil was down by 5 percent in Uzbekistan 15 percent in Russia and 20 percent in Kazakhstan. In Belarus the output of the main types of products of oil refining showed an increase.

Over the past four months the production of ferrous merchant bar products increased as compared with the same period of last year by 1 percent in Ukraine, by 12 percent in Russia, by 27 percent in Kazakhstan, and by 27 percent Uzbekistan. In Uzbekistan the output of merchant bar products was cut by more than half and in Belarus by 9 percent. The production of steel pipes decreased by 5 percent in Russia and by 43 percent in Azerbaijan, while in Ukraine it rose by 11 percent and in Belarus by 4 percent.

The production of metal-cutting machines decreased in Belarus by 12 percent and in Russia by 17 percent. The production of motor vehicles in Belarus dropped by 53 percent and that of tractors by 44 percent. By comparison with the corresponding period of last year the production of compact passenger automobiles in Russia rose by 15 percent and that of tractors in Russia by 5 percent and in Kazakhstan and Uzbekistan by a factor of 1.8-1.9.

The output of mineral fertilizers grew in Uzbekistan by 12 percent, in Russia by 23 percent, in Kazakhstan by 26 percent, and in Belarus by 37 percent, that of sulfuric acid increased in Russia by 14 percent, in Kazakhstan by 32 percent, in Uzbekistan by 57 percent, and in Belarus by a factor of two, that of soda ash rose in Russia by 37 percent, that of synthetic resins and plastics grew in Russia by 5 percent, in Belarus by 43 percent, and in Kazakhstan by a factor of three, and that of chemical fibers and filaments increased in Russia by 8 percent and in Belarus by 12 percent. At the same time the output of tires went down by 18 percent in Russia and by 26 percent in Belarus. In Uzbekistan the production of synthetic resins and plastics as well as chemical fibers and filaments was down by more than one half.

In the Commonwealth countries the production of building materials showed a decrease. Thus, the output of cement went down in Russia by 4 percent, in Belarus by 15 percent, in Kazakhstan by 17 percent, in Uzbekistan by 36 percent, and in Kirgizia by 54 percent. The production of bricks, window glass, precast reinforced concrete structures and products decreased in Russia by 9-14 percent and that of linoleum was down by 26 percent.

The change in production of consumer goods in the Commonwealth countries is characterized by the following data (January-April 1995 in percent of January-April 1994):

	Consumer goods	Including				
		Foodstuffs	Alcoholic beverages	Nonfood consumer items	Including goods	
					Of the light industry	Cultural and household goods
Azerbaijan	57	64	20	54	58	52
Armenia	95	84	82	107	122	104
Belarus	78	7	94	76	63	85
Georgia (January-March)	74	74	52	90	116	83
Kazakhstan	50	49	48	52	35	69

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	Consumer goods	Including				
		Foodstuffs	Alcoholic beverages	Nonfood consumer items	Including goods	
					Of the light industry	Cultural and household goods
Kirgizia	67	69	122	60	56	68
Moldova	67	61	100.9	65	57	68
Russia	85	84	126	83	63	89
Tajikistan	70	80	95	64	54	87
Turkmenia (January-March)	75	55	49	96	97	90
Uzbekistan	74	63	55	99.6	103	94
Ukraine	78	82	128	66	51	73

On the average the production of consumer goods declined by 19 percent in the Commonwealth.

Industrial production of meat in Moldova was less by 13 percent than in January-April 1994, in Belarus it was less by 20 percent, in Russia by 30 percent, in Kazakhstan by 37 percent, and in Uzbekistan by 41 percent. The output of whole-milk products went down in Russia by 25 percent, in Belarus, Uzbekistan, and Kazakhstan by 41-44 percent and in Kirgizia and Moldova by 61 percent. The production of flour decreased in Azerbaijan and Russia by 4-7 percent, in Kirgizia and Belarus by 10-15 percent, in Kazakshtan by 25 percent, in Moldova by 37 percent, and in Uzbekistan by 47 percent. The production of cereals was less than in January-April 1994 by 13 percent in Belarus, by 28 percent in Uzbekistan, and by 48 percent in Kazakhstan, while in Russia the production of cereals rose by 10 percent.

Data on the change in the output of basic products of the light industry in January-April 1995 by comparison with January-April 1994 is cited below (in percent):

	Fabrics, total	Knitwear	Hosiery	Footwear
Azerbaijan	66	53	60	21
Armenia	22	96	78	42
Belarus	103	66	64	67
Georgia (January-March)	48	88	-	18
Kazakhstan	31	28	27	25
Kirgizia	37	45	36	37
Moldova	-	57	20	76
Russia	62	48	61	69
Tajikistan	43	44	19	37
Turkmenia (January-March)	74	36	20	34
Uzbekistan	102	45	74	26
Ukraine	50	39	64	53

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Agriculture

The output of basic types of agricultural products at agricultural enterprises of the Commonwealth countries changed as follows over a four-month period by comparison with the same period in 1994:

	Meat (cattle and poultry sold for slaughter), live weight		Milk		Eggs	
	Thousands of tonnes	% compared to 1994	Thousands of tonnes	% compared to 1994	Millions	% compared to 1994
Azerbaijan	10	70	27	68	10	52
Armenia	0.4	86	0.9	92	1.6	144
Belarus	245	85	846	83	659	99.95
Georgia	-	-	-	-	-	-
Kazakhstan (1)	398	78	1,165	82	658	75
Kirgizia	79	89	175	87	37	49
Moldova	24	94	89	63	75	126
Russia	1,375	76	5,869	83	7,971	87
Tajikistan	9	95	26	70	17	65
Turkmenia	-	-	-	-	-	-
Uzbekistan (1)	252	102	1,086	101	417	89
Ukraine	607	87	2,661	83	1,488	86

(1)All categories of farms

The production of meat in the Commonwealth during that period was cut back by an average of 19 percent, that of milk by 16 percent, and eggs by 14 percent.

By comparison with the same period of last year cow productivity showed a decline at agricultural enterprises in all the countries of the Commonwealth, including that in Tajikistan and Azerbaijan by 22 percent, in Kazakhstan and Moldova by 20 percent, in Belarus by 15 percent, and in Armenia, Kirgizia, Russia, and Ukraine by 7.9 percent.

Data on changes in the volume of sales of animal husbandry products to procurement organizations and consumer cooperatives in the Commonwealth countries in January-April of this year (all categories of farms) is given below:

	Cattle and poultry (live weight)		Milk		Eggs	
	Thousands of tonnes	% compared to 1994	Thousands of tonnes	% compared to 1994	Million:	% compared to 1994
Azerbaijan	5	52	16	49	7	51
Armenia	0.1	32	0.6	73	0.8	101
Belarus	194	71	585	71	493	94
Georgia	...	...	...	...	...	...
Kazakshtan	34	22	147	40	171	43
Kirgizia	2	25	10	36	0.4	3
Moldova	...	...	...	...	...	...

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	Cattle and poultry (live weight)		Milk		Eggs	
Russia	998	69	3,643	75	6,144	82
Tajikistan	4	109	16	60	8	45
Turkmenia	...	...	...	...	...	...
Uzbekistan	41	68	163	72	124	57
Ukraine	414	73	1,512	68	746	75

The volume of purchases of cattle and poultry in January-April decreased by comparison with the same period last year by 33 percent, that of milk went down by 29 percent and eggs by 20 percent. At the same time the volume of sales of products is growing everywhere through other channels (sale on the market, through privately owned stores and trade outlets, through barter, and by other sales channels).

Construction

A decline in the rates of housing construction and the construction of socio-cultural facilities was observed during January-April 1995 in a number of the Commonwealth countries. By comparison with the same period of 1994, for instance, the introduction of housing decreased in Belarus by 25 percent, in Kazakhstan by 26 percent, and in Kirgizia by 42 percent. More housing was introduced in Russia—by 11 percent, more general educational schools in Belarus by a factor of 4.5, and more preschool establishments in Kazakhstan by 74 percent.

The introduction of facilities in the social sphere in the Commonwealth countries in January-April 1995 with all sources of financing is characterized by the following data:

	Dwellings, thousands of square meters of general area	General educational schools, room for students	Preschool establishments, room for children	Hospitals, beds	Number of visits per shift at out-patient polyclinics
Azerbaijan (1)	7.1	-	-	110	-
Armenia (1)	19.3	-	-	-	-
Belarus	285.3	490	95	-	100
Georgia (January-March)	1.4	-	-	-	-
Kazakhstan	414.7	-	330	-	-
Kirgizia	37.5	-	-	-	-
Moldova (January-March)	56.8	-	-	-	-
Russia	5,600	10,300 (2)	2,405 (2)	800 (2)	3,951 (2)
Tajikistan (1)	15.7	192	-	-	-
Turkmenia	...	...	...	...	...
Uzbekistan	795.4	3,224	90	60	70
Ukraine (January-March)	977.6	2,532	1,045	57	400

(1)For state enterprises and organizations

(2)January-March

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Transportation

Some 543 million tonnes of cargo was shipped by rail transport in the Commonwealth countries during January-April 1995, which is 7 percent less than in the same period of last year. The average daily load in April declined by 0.4 percent as compared to March. Data on the shipment of freight by rail transport in Commonwealth countries is cited in the following table:

	1995, millions of tonnes		1995 % compared to 1994		April 1995 % compared to March 1995
	January-April	April	January-April	April	Average daily load
Azerbaijan	2.7	0.7	64	67	104
Armenia	0.14	0.05	111	80	133
Belarus	15.5	4.0	104	93	94
Georgia	1.9	0.4	137	135	89
Kazakhstan	52.8	12.6	92	79	90
Kirgizia	0.3	0.07	47	35	100
Moldova	1.2	0.3	88	93	90
Russia	338.7	85.8	94	94	99.6
Tajikistan	0.3	0.07	46	75	114
Turkmenia	3.3	0.8	59	61	103
Uzbekistan	9.6	2.6	64	62	114
Ukraine	116.8	31.4	92	90	103

By comparison with January-April of last year the shipment of coal decreased by 23 percent on railroads of Belarus, by 14 percent on those of Kazakhstan, and by 5 percent on those of Russia; the shipment of oil and petroleum products by 22 percent in Moldova, by 11 percent in Russia, and by 27 percent in Uzbekistan; the shipment of chemical and mineral fertilizers by 16 percent in Moldova and 3 percent in Uzbekistan; the shipment of lumber by 30 percent in Kazakhstan and 3 percent in Russia; the shipment of grain and products of grinding by 17 percent in Belarus, 11 percent in Kazakhstan, 51 percent in Moldova, and 30 percent in Uzbekistan.

The transportation of passengers by all types of public transport (except city electric and taxi transport) in January-March of this year in the Commonwealth countries is characterized by the following data:

	Passenger transportation		Passenger turnover	
	Millions of passengers	% compared to January-March 1994	Billions of passenger kilometers	% comapred to March 1994
Azerbaijan	...	...	...	...
Armenia	17.9	162	0.4	110
Belarus	391.4	74	6.0	84
Georgia	...	...	...	...
Kazakhstan	...	...	7.5	81
Kirgizia	41.6	106	0.6	117
Moldova	16.7	96	0.5	103

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	Passenger transportation		Passenger turnover	
Russia (1)	6,034.1	93	103.7	89
Tajikistan	21.5	94	0.4	95
Turkmenia	...	...	...	...
Uzbekistan	566.4	92	5.3	84
Ukraine	1,014.1	93	24.2	96

(1)Without marine transport

Passenger turnover in rail transport in January-March of this year decreased in Kirgizia by 48 percent, in Uzbekistan by 27 percent, in Belarus by 18 percent, in Kazakshtan and Russia by 17 percent, and in Moldova by 11 percent.

Transportation of passengers by common motor carrier decreased as compared with January-March 1994 in Belarus by 27 percent, in Kazakhstan by 13 percent, in Ukraine by 10 percent, in Uzbekistan by 8 percent, in Russia by 7 percent, and in Tajikistan by 5 percent.

Transportation of passengers by air during January-March increased by a factor of 1.3 in Kirgizia, Moldova, and Ukraine, decreased by 3 percent in Belarus, by 31 percent in Kazakhstan, by 7 percent in Russia, and by 39 percent in Tajikistan.

Monetary incomes and expenditures of the population

Monetary incomes and expenditures of the population in the Commonwealth countries in January-April 1995 amounted to the following:

	Monetary income of population	Monetrary expenditures of population	Including purchase of goods and payment for services	Growth of monetary accumulations
Azerbaijan, millions of manat	1,246.5	968.1	919.7	278.4
Armenia (billions of dram)	29.9	22.2	20.3	7.7
Belarus, billions of Belarus rubles	16,137.4	13,396.8	12,370.6	2,740.6
Georgia, millions of coupons	...	...	...	...
Kazakhstan, billions of tenge	76.3	41.5	32.4	34.8
Kirgizia, millions of som	2,690.8	2,317.2	2,143.9	373.6
Moldova, millions of lei	684.7	573.9	489.8	110.8
Russia, trillions of rubles	222.9	169.8	154.3	53.1
Tajikistan, billions of rubles	157.1	92.7	68.5	64.4
Turkmenia, million of manat	...	...	...	...
Uzbekistan, million of som	31,157.6	27,832.2	25,526.8	3,325.4
Ukraine, trillions of karbovantsy	480.3	380.9	341.9	99.4

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In the Commonwealth countries the structure of monetary incomes of the population in which the share of labor remuneration decreased primarily through an increase in incomes from entrepreneurial activity, revenues from property and financial-credit operations, changed with varying degrees of intensity.

Data on changes in the average nominal wage in the Commonwealth countries is cited in the following table:

	Gross domestic product (in comparable prices);	Gross industrial production (in comparable prices);	Monetary income of the population, factors	Monetary expenditures of the population on purchase of goods and payment for services, factors	Consumer price index, factors	Retail commodity turnover through all sales channels (1) (in comparable prices)
Azerbaijan	77.8*	72.8	10.1	12.2	13.9	80.5
Armenia	117.1	122.0	7.1	12.7	6.6	180.2
Belarus	90	94.9	16.2	15.9	22.7	71.9
Georgia	-	75.6 (2)	-	-	-	325 (3)
Kazakhstan	83.5	82.5	6.9	9.5	7.4	49.6 (3)
Kirgizia	84.6	81.3	1.4	1.3	1.8	82.8
Moldova	81.1 (4)	74.9	1.5	1.5	1.5*	91.9 (3)
Russia	95	95	3.0	3.0	3.2	91
Tajikistan	81.9 (2)	73.7	1.2	2.1	1.5 (5)	109.9 (3)
Turkmenia	-	82.7 (2)	-	-	-	-
Uzbekistan	90.0 (2)	83.2	5.2	5.9	10.3*	69.5
Ukraine	89.2	87.3	4.8	5.0	5.4*	90.8 (3)

(1)Including sale at dry-goods, food, and mixed markets, as estimated by national statistical services

(2)January-March

(3)For officially registered enterprises

(4)Net material product (national revenue)

(5)Free index of retail prices and tariffs for goods and paid services

In April the wage level exceeded the designated minimum in the indicated month in Azerbaijan by a factor of 10, in Belarus and in Russia by a factor of 12, in Kazakhstan by a factor of 18, in Kirgizia, Moldova, Tajikistan, Turkmenia, and Uzbekistan by a factor of 4-7, and in Ukraine by a factor of 93.

The amount of past-due indebtedness of enterprises and organizations in the payment of wages is growing. In Moldova as of 1 April 1995 it amounted to 167 million lei, which is greater than the monthly wage fund. In Kirgizia indebtedness exceeded 300 million som more than half of which was owed by enterprises in industry and agriculture. In Kazakhstan the arrears reached 13 billion tenge by 1 March or 34 percent of the monthly wage fund, of which 85 percent is owned by enterprises in industry, agriculture, and construction. In Kazakhstan and Kirgizia half of overall indebtedness is made up of the what has been owed for three months or more.

Real wage in January-April decreased by comparison with January-April of last year in Azerbaijan by 47 percent, in Belarus by 20 percent, in Russia by 30 percent, in Uzbekistan by 42 percent, and in Ukraine by 2 percent.

Consumer market

A rise in the level of consumer prices continued in all of the Commonwealth countries during January-April 1995.

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In most of the countries during January-April the growth rate of consumer prices for goods and services outstripped the growth of nominal monetary income of the population:

	January-April 1995 compared to January-April 1994, factors				Coefficients reflecting outstripping growth in prices with relation to growth of		
	Consumer prices	Average per capita income	Wage per worker	Pensions	Monetary income	Wages	Pensions
Azerbaijan	13.9	10.1	7.4	12.8	1.4	1.9	1.1
Armenia	6.6	7.1	...	8.4	0.9	...	0.8
Belarus	22.7	16.2	18.2	26.7	1.4	1.3	0.9
Georgia	...	...	...	...	...	...	...
Kazakhstan	7.4	6.9	7.9	4.7	1.1	0.9	1.6
Kirgizia	1.8	1.4	1.8	2.6	1.2	1.0	0.7
Moldova	1.5*	1.5	1.6	3.2	1.0	0.9	0.5
Russia	3.2	3.0	2.3	2.1	1.1	1.4	1.5
Tajikistan	1.5 (1)	1.2	1.3	3.0	1.3	1.1	0.5
Turkmenia	...	...	6.5	6.7	...	...	...
Uzbekistan	10.3*	5.2	6.0	9.9	2.0	1.7	1.0
Ukraine	5.4*	4.8	5.3	10.4	1.1	1.0	0.5

(1)Free index of retail prices and tariffs for goods and paid services

Data characterizing the price dynamics of consumer goods in retail trade in the Commonwealth countries in January-April 1995 is cited below:

	First quarter, average per month, %	% to previous month		Compared to corresponding period in 1994, factors	
		March	April	January-April	April
Azerbaijan	116.2	103.2	106.8	15.4	14.2
Armenia (1)	101.6	101.1	105.9	6.3	4.1
Belarus (1)	130.4	119.5	109.9		22.2
Georgia	101.3	100.3	100.2 (1)	...	...
Kazakshtan	105.9	103.7	104.5	9.0	6.5
Kirgizia	105.1	101.0	100.6	1.6	1.5
Moldova (1)	102.0	100.5	100.5	1.4	1.3
Russia (1)	112.0	108.8	108.0	3.0*	3.1
Tajikistan	108.9	109.7	114.3	1.4	1.5
Turkmenia	...	...	...	...	...
Uzbekistan	109.9	105.8	108.8	9.7	6.8

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		% to previous month		Compared to corresponding period in 1994, factors	
Ukraine	113.5	109.9	104.8	4.7*	4.6*

(1) Consumer price index for goods

In many of the Commonwealth countries (Georgia, Kirgizia, Moldova, Russia, and Urkaine) a decrease in the growth rate of retail prices which was manifested in February and March, continued in April as well. The rate at which prices rose in Uzbekistan, Armenia, Kazakhstan, and Azerbaijan likewise slowed down in March, but in April the prices rose in those countries more than in March.

In January-April (April with relation to December of last year) the level of prices for consumer goods rose to the greatest degree in Belarus, by a factor of 2.4, in Tajikistan, Uzbekistan, Russia, Ukraine, and Azerbaijan by a factor of 1.4-1.7, while in Georgia, Moldova and Armenia prices rose by 4-11 percent.

In most of the countries prices of foodstuffs are growing at a higher rate than those of nonfood consumer items. For example, in April by comparison with the end of last year the level of prices for food in retail trade rose in Tajikistan, Uzbekistan, Russia, and Ukraine by a factor of 1.5-1.6, and by a factor of 1.3-1.5 for nonfood consumer items, in Moldova, correspondingly, by 9 percent and 3 percent, in Kirgizia by 23 percent and 3 percent, and in Kazakhstan by factors of 1.3 and 1.2. In Armenia, with a rise in prices for foodstuffs of 14 percent, prices for nonfood consumer items went down by 1 percent as compared with the level in December. A decrease in prices for foodstuffs (by 4 percent) was recorded over a period of four months only in Georgia with a significant rise in prices for nonfood consumer items (which went up by a factor of 1.4).

In the course of a month (end of April with relation to the end of March) in stores of Baku prices for granulated sugar, cheeses, and eggs rose by 20-30 percent, for individual types of meat products they increased by 6 percent, whereas prices for butter remained at about the same level. Prices for milk have remained unchanged since January after rising by a factor of 1.5. Prices for wheat bread remained unchanged since February, after rising by a factor of 1.6.

Prices for beef, butter, wheat bread, and macaroni products in Minsk stabilized at the level of the last few days in March while prices for individual types of boiled sausages, sunflower oil, and rye bread showed a slight decrease (2-8 percent). At the same time the price for wheat flour rose by 11 percent, that for milk and potatoes was up almost 20 percent, with a particularly significant rise in prices for individual types of vegetables: fresh cabbage prices rose by a factor of 2.1 and those of carrots—by almost a third.

In the course of a month the rise in prices in Moscow for butter and vegetable oil, cheese, and potatoes amounted to 1-3 percent and 6-12 percent for individual types of meat and fish products, fruit, rye and wheat bread, flour, fresh milk, granulated sugar, and confectionery products while egg prices showed a slight decrease (down by 5 percent) as well as those for vegetables (down by 6 percent).

Prices rose on agricultural city markets as well. Thus, in April by comparison with the previous month, they were up in Belarus, Kazakhstan, Kirgizia, and Ukraine by 3-6 percent and exceeded the level of December 1994 by a factor of 1.4-1.7. In Uzbekistan and Azerbaijan the prices on city markets increased in April by comparison with March correspondingly by 8 percent and 10 percent, and in Tajikistan by 17 percent, as compared with December of last year they rose by a factor of 2.0-2.5.

In a number of countries the role of the nonstate sector on the consumer market is becoming the dominant one. Thus, its share in the overall volume of product sales through all channels (including sales on dry-goods, food and mixed markets) in January-April of this year in Belarus came to around 60 percent, in Kazakhstan—around 80 percent, in Russia—85 percent (1st quarter of this year), and in Kirgizia, Uzbekistan and Azerbaijan—about 90 percent.

The decrease in the physical volumes of retail commodity turnover and paid services is continuing even in comparison with the low level of last year, and in a number of countries, both on the organized and the unorganized markets. Simultaneously the valuational measure of sales is growing under the influence of price hikes. The dynamics of retail commodity turnover and paid services in Commonwealth countries in January-April are characterized by the following:

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	Retail commodity turnover			Paid services for population		
	Billion units of national currency	% compared to January-April 1994		Billion units of national currency	% compared to January-April 1994	
	in actual prices	In comparable prices	In actual prices	In comparable prices		
Azerbaijan, manat						
Through all sales channels	1,082.5	949	81	119.5	1,465	67
Including officially registered enterprises	244.1	1,037	68	95.8	1,473	53
Armenia, dram						
Through all sales channels	42.67	1,132	180	...	...	...
Including officially registered enterprises	10.67	809	129	9.04	671	114
Belarus, Belarus rubles						
Through all sales channels	11,099.6	1,599	72	1,697.9	2,168	73
Including officially registered enterprises	9,039.1	1,593	72	1,342.2	2,176	73
Georgia, coupons (1)	26,833	9,667[figure unclear]	325	6,497	2,330	11
Kazakhstan, tenge						
Through all sales channels	37.89	...	...	...	...	...
Including officially registered enterprises	29.89	446	50	9.53 (2)	1,230 (2)	69 (2)
Kirgizia, som						
Through all sales channels	2.07	127	83	0.41	230	70
Including officially registered enterprises	1.31	125	79	0.38	230	70
Moldova, lei (1)	0.64	179	92	0.20	210	110
Russia, rubles						

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	Retail commodity turnover			Paid services for population		
Through all sales channels	134,138.4	267	91	28,000 (3)	...	87 (3)
Including officially registered enterprises	94,980	261	89	...	...	...
Tajikistan, rubles (1)	171.3	150	110	47.7	277	140
Turkmenia, manat						
Through all sales channels (2)	8.22	672	...	...	...	...
Including officially registered enterprises	5.68	412	...	1.27	984	...
Uzbekistan, som						
Through all sales channels	23.30	567	70	...	...	...
Including officially registered enterprises	19.85	546	67	4.11	1,160	55
Ukraine, karbovantsy (1)	265,641	433	91	63,327	716	71

(1)At officially registered enterprises

(2)January-March

(3)Estimate of State Commiittee on Statistics of Russia

The drop in volume of sales of products by public catering enterprises are more significant in a number of countries. In Azerbaijan, for instance, the total volume of retail commodity turnover of officially registered enterprises in January-April with relation to the same period of last year amounted to 67.5 percent, while the commodity turnover in public catering came to 51.9 percent, in Belarus it was, correspondingly, 71.7 percent and 70.36 percent, and in Moldova—91.9 percent and 82.0 percent.

In Ukraine sales at officially registered trading enterprises in the first quarter of this year, as compared with the first quarter of last year (proceeding from data in natural terms) amounted to 51-59 percent for canned meat, margarine products, sugar, butter and vegetable oil, and 62-80 percent for eggs, potatoes, vegetables, meat, sausage and confectionery products. The sales of sausage products and sugar in April of this year in Azerbaijan were down by a factor of almost four compared with last year, while sales of butter, tea, and cheeses decreased by a factor of three, the sales of meat, poultry, and fish dwindled by almost one half, while sales of bread and bakery products declined by one third.

A complicated situation formed on the consumer market of Tajikistan. There was a sharp decrease in delivery of meat products, dairy products, sugar, macaroni products, and tea to the state trading network. Eggs, butter, vegetable oil, margarine and whole-milk products are absent from sales, and there are interruptions in the provision of the population with bread.

Reserves of consumer foods available at the start of May in the organized retail trade network in Azerbaijan, Armenia, and Belarus were sufficient for 28-39 days of trading (proceeding from the daily turnover in April) and 41-55 days in Russia, Ukraine, and Moldova, while stores of Kazakhstan and Uzbekistan had enough for three months of trading, and those in Kirgizia for almost five months.

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Labor market

At the end of April some 2.9 million citizens without work were registered with employment services, 2.9 million of whom were recognized as being unemployed, or 85 percent of those without work.

Key: - No record ... Data absent (not submitted) * evaluation, estimate.

Intergovernmental Statistical Committee of the Commonwealth of Independent States

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Russia National Affairs

***First Quarter Economic Performance, Indicators Assessed**

954E1130A Moscow SEGODNYA in Russian 9 Jun 95 p 5

[Article by Yevgeniy Saburov, Sergey Smirnov and Andrey Chernyavskiy, the Investment Problems Institute: "Where the Country Is Going: Russia's Economic Situation in 1995"]

[FBIS Translated Text] The beginning of 1995 has been characterized by several paradoxical processes. Signs of stabilization have emerged, but why is this occurring — because of a sensible corrective policy or because the economy has bottomed out? There is vagueness in everything. On the one hand, incomes are falling and, consequently, so is effective demand, while, on the other hand, importing is increasing, as is the production of durable goods, and this means that the effective demand has grown.

A situation has been created when it is possible to write about the one and the same fact both in gloomy tones and in cheery tones. In general, writing about the country's economic situation on the basis of the official statistics is more difficult than ever. The availability of an enormous dollar money supply is having an impact on the most important macro-economic indicators. Thus, already going beyond the boundaries of the first quarter, it should be stated that the sharp increase in the money supply in April, apparently, was not caused by TsB [Central Bank] actions, but rather, was a consequence of the selling of dollars.

Nevertheless, it is possible to say something about the economics of the beginning of 1995.

Production

In 1995's first quarter, the gross domestic product (VVP [GDP]) amounted to 279 trillion rubles [R] ($62.3 billion in terms of the monthly volumes based on the exchange rate of the MMVB [Moscow Interbank Currency Exchange — MICE]). The volume of the GDP in dollars turned out to be 9.5 percent below the level for 1994's fourth quarter and, at the same time, 10 percent higher than in the first quarter of last year. This testifies simultaneously to the significant seasonal cyclical nature of Russia's economy and to the specific trend toward an increase in the GDP in the longer run.

The increase in the share of services in the GDP continued in 1995's first quarter. Their share amounted to 53.8 percent, while this indicator was equal to 47.8 percent in 1994's first quarter. It is precisely the services sector which is presently providing the stabilization of the GDP's overall volume.

The volume of industrial production in 1995's first quarter stabilized at the level of 1994's second half. After the January slump of 3.5 percent (significantly less abrupt than in preceding years), the level of industrial production in February and March remained at an almost fixed level (given the elimination of the seasonal component). The sharp decline in the rate of growth of the money supply in 1995's first quarter had almost no adverse impact on industrial production.

The output of raw materials, finished materials and power in 1995's first quarter exceeded the level of 1994's second half and amounted to 52.1-52.6 percent of 1989's average quarterly level. A significant recovery was observed in metallurgy, as well as in the chemical and petrochemical industries (in connection with the increase in export shipments). The production level in these sectors noticeably (by 7-8 percent) exceeded 1994's average indicators.

An unfavorable situation continues to be observed in machine building, which is a manifestation of the investment crisis. The production of industrial equipment in 1995's first quarter declined in comparison with 1994's fourth quarter level again by 22 percent.

The output of consumer goods in 1995's first quarter declined in comparison with 1994's fourth quarter indicator by 18 percent and amounted to 38-43 percent of 1989's average quarterly level. Among the basic factors which have had an adverse impact on the production of consumer goods in the first quarter are the reduction in the population's real incomes and import

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substitution. The impact of the latter factor has been especially noticeable in light industry.

The production of durable consumer goods in 1995's first quarter remained at the level of 1994's second half. This corresponds to 50 percent of 1989's average quarterly level. Since the beginning of 1995, the production of this group of goods has increased: in March, it exceeded the January level by 14 percent. In particular, there was an increase in the production of passenger cars, motorcycles and radio receivers. Yet, all the same, it is premature to draw conclusions on this basis about a stable trend toward an increase in durable goods.

The output of foodstuffs in 1995's first quarter declined in comparison with 1994's fourth quarter indicators by 20 percent. Undoubtedly, the import substitution factor is having a telling effect in this sphere. At the same time, it must be noted that the statistics on the production of foodstuffs are especially unreliable.

In comparison with 1994's average indicators, there was a noticeable increase in 1995's first quarter in the share of profit in the price of industrial products and, at the same time, the number of unprofitable enterprises increased. This points to the fact that a process of differentiation of the enterprises is occurring in industry: some of them are adapting to the new conditions and others are finding themselves in an ever worsening situation.

The industrial enterprises' worktime losses because of production stoppages in 1995's first quarter were below 1994's average annual indicators.

Capital Investments

The overall volume of capital investments stabilized in 1995's first quarter, but at a very low level: in comparison with 1989's average quarterly level, it amounted to 24 percent in all.

No significant changes occurred in the ratio between production and non-production investments in 1995's first quarter. The share of funds from the federal budget and those of the federation's components in the structure of capital investment financing is continuing to decrease consistently.

Some improvement is being observed in the housing construction sphere. In 1995's first quarter, housing starts exceeded the indicator for 1994's corresponding period by 10 percent, while private housing construction rose by 44 percent and its share in the overall volume of housing under construction reached 23.4 percent (it was 18.2 percent in 1994).

The recovery in housing construction in 1995's first quarter corresponds to the increase in the output of building materials. In March, their production level exceeded January's by 19-20 percent.

Foreign Economic Relations

The elimination of the institution of special exporters, as well as the seasonal cyclical nature of Russia's economy, caused a decline in exporting in 1995's first quarter by 14 percent (in comparison with 1994's last quarter). At the same time, it turned out to be 19 percent higher than exporting in last year's first quarter.

The volume of importing in 1995's first quarter rose in comparison with 1994's fourth quarter indicators by 5 percent and, in comparison with 1994's first quarter, by 28 percent. This testifies simultaneously to the presence in Russia of an effective domestic demand unaccounted for by the official statistics and also to the intensification of the import substitution factor's impact on Russia's economy.

In exporting's commodity structure, the share of fuel and energy commodities rose to 51 percent (this indicator amounted to 47 percent in 1994's first quarter). The exporting of natural gas increased over this period by 16 percent. The share of metals and articles made from them also increased, while the share of machines and equipment decreased.

The share of meat and butter in the structure of importing increased significantly (which had an adverse effect on their domestic production). The share of machines and equipment also increased. This testifies to some improvement in the domestic investment demand which is being satisfied through importing. The introduction of excise-duty stamps led to a significant decrease in 1995's first quarter in the importing of alcoholic beverages (by 30 percent in comparison with 1994's first quarter).

Russia's favorable foreign trade balance decreased significantly in 1995's first quarter, but approximately the same pattern was observed last year. If the small favorable foreign trade balance (at the level of US $0.6-1 billion per month) is maintained over the course of 1995, this will testify to a decrease in the inclination of Russia's residents toward exporting capital.

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Table 1. Indicators of the Economic Situation in Russia (January —March of 1995)

	Absolute Values			Change (%)		
	Jan	Feb	Mar	Jan	Feb	Mar
Production						
Gross Domestic Product in Trillions of Rubles	80	96	103	-8.2	20.0	7.3
Gross Domestic Product in Billions of Dollars I	19.8	21.5	21.1	-19.2	8.6	-2.3
Industrial Production, Index (1989 = 100, Annual Estimate, Seasonally Adjusted [AESA])						
Total (Non-Military Output)	47.4	47.9	47.7	-3.5	1.1	-0.4
Raw and Finished Materials	52.6	52.1	52.1	-0.6	-1.0	0.0
Industrial Equipment	21.2	22.5	22.2	-25.9	6.1	-1.3
Consumer Goods	38.2	42.8	41.9	-12.4	12.0	-2.1
Durables	46.3	50.9	52.6	-8.5	9.9	3.3
Non-Durables	36.4	41.0	39.5	-13.3	12.6	-3.7
Foodstuffs	40.3	45.3	43.6	-12.6	12.4	-3.8
Share of Profit in Price of Industrial Products, %	19.1	19.4	19.3	-3.0	1.6	-0.5
Share of Unprofitable Enterprises in Industry (at End of Month [EOM]) as %	23.5	24.1	25.5	4.4	2.6	5.8
Worktime Losses in Industry, % of Scheduled Time	15.9	14.7	15.1	16.9	-7.5	2.7
Capital Investments						
Capital Investments in Comparable Prices, Index (1989 = 100, AESA) (II)			24.2			6.6
Ratio: Capital Investments Compared to the GDP, %	9.0	11.4	11.1	-63.1	26.7	-2.6
Index of Actual Prices for Capital Investments (Estimated Prices on 1 January 1991 = 1.0) (II)			2,914			37.0
Index for Production of Building Materials (1989 = 100, AESA)	35.7	40.2	42.5	-9.4	12.6	5.7
Housing Starts, Index (1989 = 100, AESA)**			49.2			-24.4
Foreign Economic Relations***						
Exporting in Billions of Dollars	3.2	3.8	4.5	-32.3	18.8	18.4
Importing in Billions of Dollars	2.3	2.6	3.9	-31.1	13.0	50.0
Export-Import Balance in Billions of Dollars	0.9	1.2	0.6	-13.7	-33.3	-100

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	Absolute Values			Change (%)		
	Jan	Feb	Mar	Jan	Feb	Mar
Currency Assets in Accounts of Enterprises and Organizations (EOM) in Billions of Dollars	No Data	No Data	No Data	No Data	No Data	No Data
Foreign Credits in Billions of Dollars	No Data	No Data	No Data	No Data	No Data	No Data
Foreign Investments in Billions of Dollars			No Data			No Data
Prices						
Purchasing Power of R1,000 (in December 1990 Rubles)	0.44	0.39	0.36	-13.7	-11.4	-7.7
Consumer Price Index (December 1990 = 1.0)	2,297	2,550	3,013	17.8	11.0	8.9
Wholesale Price Index (December 1990 = 1.0) IV	11,250	13,162	14,610	22.0	17.0	11.0
Dollar's Exchange Rate (EOM)						
In Rubles per Dollar in MICE Trades	4,048	4,473	4,899	14.0	10.5	9.5
Selling Exchange Rate in Savings Bank of Russia's Moscow Bank	4,095	4,510	4,925	10.7	10.1	9.2
In December 1990 Rubles	1.78	1.77		-6.3	-0.6	0.0
In MTB [Moscow Commodity Exchange] Futures Trades ($1,000 Contract)						
0.5 Month	4,264	4,739	5,120	14.0	11.1	8.0
2.5 Months	5,289	5,424	5,714	17.2	2.6	5.3
Finances						
M0 — Cash Money Supply (EOM)						
In Trillions of Rubles	31.3	34.0	35.6	-14.3	8.5	5.0
In Billions of December 1990 Rubles	13.6	13.3	12.8	-27.3	-2.2	-3.8
M2 — Total Money Supply (EOM)						
In Trillions of Rubles	No Data	No Data	No Data	No Data	No Data	No Data
In Billions of December 1990 Rubles	No Data	No Data	No Data	No Data	No Data	No Data
Commercial Banks' Credits to Non-Financial Parties (EOM) in Trillions of Rubles	89.7	96.7	No Data	7.4	7.7	No Data
Ratio: Emission of Cash Money Compared to the GDP, %	-6.5	2.8	1.7	-225.0	-143.1	-39.3
Ratio: Increase in Credits to the Economy Compared to the GDP, %	7.7	7.2	No Data	862.5	-6.5	No Data
Ratio: Cash in Total Money Supply, %	No Data	No Data	No Data	No Data	No Data	No Data

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	Absolute Values			Change (%)		
	Jan	Feb	Mar	Jan	Feb	Mar
Ratio: Difference in Federal Budget Revenues and Expenditures Compared to the GDP (EOM), %	No Data	No Data	-3.4	No Data	No Data	No Data
Interest Rate (EOM, Annual Estimate), %						
Central Bank Credits to Commercial Banks	200	200	200	11.1	0.0	0.0
Central Bank Preferential Credits to RF Government	10	10	10	0.0	0.0	0.0
2-Month Credit at Central Bank Auction	204.0	203.3	204.2	12.3	-0.3	0.4
3-Month Interbank Credit (Average, Orgbank Interbank Credit Auction)	205.1	190.9	176.2	20.4	-6.9	-7.7
3-Month State Short-Term Bonds (Average, MICE Auction)	299.4	285.1	234.0	-1.5	-4.8	-17.9
3-Month Deposit in Savings Bank	100	100	100	0.0	0.0	0.0
KOMMERSANT-DAILY's Consolidated Stock Index, Jan 1994 = 100	203	208	217	1.5	2.5	4.3
Ratio: Overdue Payments of Funds for Consumption Compared to the Population's Monetary Incomes, %	12.1	11.0	9.5	63.5	-9.1	-13.6
Ratio: Overdue Payments of Consuming Enterprises Compared to the Volume of Industrial Production, %	110.9	108.7	90.0	-0.6	-2.0	-16.4
Population						
Average Monthly Wages of Blue- and White-Collar Workers						
In Thousands of Rubles	302.6	321.0	355.0	-14.6	6.1	10.6
In December 1990 Rubles	132	126	128	-27.5	-4.5	1.6
In Dollars (V)	74	71	72	-22.9	-4.1	1.4
Average Per Capita Income (Pre-Tax)						
In Thousands of Rubles	309.7	348.2	408.2	-18.2	12.4	17.2
In December 1990 Rubles	135	137	147	-30.4	1.5	7.3
In Dollars (V)	76	77	83	-25.6	1.3	7.8
Average Per Capita Remainder of Accumulations (Ready Cash and in Deposits and Securities)						
In Thousands of Rubles	833.1	908.7	999.1	7.0	9.1	10.0
In December 1990 Rubles	363	356	360	-9.0	-1.9	1.1
In Dollars V	203	201	203	-3.8	-1.0	1.0
Per Capita Subsistence Minimum						

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	Absolute Values			Change (%)		
	Jan	Feb	Mar	Jan	Feb	Mar
In Thousands of Rubles	179.5	201.4	218.9	23.4	12.2	8.7
In December 1990 Rubles	78	79	79	4.0	1.3	0.0
In Dollars V	44	45	44	12.8	2.3	-2.2
Average Increase in Consumer Spending Above the Subsistence Minimum VI, (%)	135.2	126.9	137.2	-21.7	-6.1	8.1
Personal Savings Norm VII (%)	18.8	23.8	24.1	-41.3	26.6	1.3
Ratio: Average Accumulations Compared to Average Wages, %	275.3	283.1	281.4	25.2	2.8	-0.6
Number of Unemployed in Thousands of Persons	1,710	1,838	1,921	4.5	7.5	4.5

I At the MICE exchange rate.

II For the quarter ending in the indicated month (the changes are also given, % compared to the preceding quarter).

III Including the Baltic States, but excluding the CIS.

IV Product of the monthly indexes.

V At the Savings Bank's selling exchange rate.

VI After taxes have been paid.

VII Ratio of accumulated savings to disposable income.

Prices

In 1995's first quarter, consumer prices rose by 42 percent. Thus, in comparison with December of 1990, consumer prices had increased by the end of the quarter by a factor of 2,777, while the purchasing power of R1,000 in March of 1995 was equal to the purchasing power of 36 kopecks in December of 1990.

In the course of the first quarter, a sharp deceleration of inflation occurred. After January's "peak" increase in prices by 17.8 percent, consumer prices in March rose by 8.9 percent in all. To a large extent, this was caused by the tightening of control over the money supply's dynamics.

Wholesale producer prices in 1995's first quarter rose by 58 percent. Over the course of the entire quarter, the increase in wholesale prices noticeably outpaced the increase in consumer prices, although, at the same time, it slowed rapidly. After January's 22-percent increase, wholesale prices rose by 11 percent in all. Prices in the fuel industry, tractor and agricultural machine building and the pulp-and-paper and meat-and-dairy industries increased at a somewhat accelerated pace. On the whole, however, prices in all sectors increased at a nearly parallel rate.

In the currency market in 1995's first quarter, the Central Bank maintained the correspondence of the increases in the dollar's exchange rate and the rate of inflation. As a result, the dollar's purchasing power over the course of 1995's 3 months remained at an almost fixed level and did not cause changes in the effectiveness of export-import transactions.

Finances

In 1995's first quarter, the government and the Central Bank pursued a harsh credit-and-monetary policy. In accordance with the repeated public statements of members of the government and associates of the Central Bank, the total money supply rose monthly over the course of the first quarter by 1 percent in all (official Central Bank publications are lacking). The volumes of preferential Central Bank credits granted to the government, including ones for covering the budget deficit, decreased sharply.

The tightening of the credit-and-monetary policy of the government and the Central Bank, to a large extent, has been associated with the preparation and signing of an agreement with the MBF [International Monetary Fund — IMF] on the allocation to Russia of standby credit in the amount of $6.5 billion. In the agreement,

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the Central Bank's actions with respect to cash-money and credit emission have been rigidly regulated and a number of basic principles for pursuing the credit-and-monetary policy have been stated. The IMF credit will be issued over the course of a year in sections, provided that Russia fulfills the obligations it has taken upon itself. In accordance with the government's plans, loans from international financial organizations in 1995 are supposed to cover 50 percent of the federal budget's deficit. Therefore, undoubtedly, the government will be trying to fulfill the agreement's conditions.

In accordance with this agreement, centralized credits in 1995 are supposed to be granted only through auctions and other market mechanisms. In the first quarter, the conditions for holding such auctions had not been completely worked out. As a result, over the 3 months, centralized credit resources for R170 billion in all at an interest rate of 203-204 percent were placed through auctions. In the first quarter, all types of interest rates fell rapidly. For example, the rate for 3-month interbank credit fell from 205 percent in January to 175 percent in March, while the yield of 3-month GKOs [State Short-Term Bond], which amounted to 300 percent in January (taking into account the tax breaks), was reduced in March by the Minfin [Ministry of Finance] to 234 percent. The exception was the rate for Central Bank refinancing. Having been increased at the very beginning of January from 180 percent to 200 percent, it was not revised in the first quarter. As a result, a situation arose, which was new for Russia's economy, when — for the first time in the last 2 years — the refinancing interest rate stopped being a reference point for interbank credit rates and for the yield of basic financial instruments.

In February, in connection with the decline in the rate of inflation, the credit rates became favorable in real terms. The actual rate (adjusted for inflation) of 3-month interbank credit amounted to 3 percent at the end of February and to 5 percent at the end of March. This trend, however, did not apply to deposit rates which, with inflation taken into account, remained unfavorable.

The ratio of industrial output purchasers' overdue indebtedness to the volume of industrial production in 1995's first quarter was higher than in 1994's first quarter, but lower than at the end of 1994.

The ratio of the overdue indebtedness with respect to payments of funds for consumption to the population's monetary incomes also fell over the course of 1995's first quarter. It should be noted that the decline in the relative indicators for "non-payments" occurred during the tightening of the state's credit-and-monetary policy. The opinion has gradually formed that the "non-payments" are not so much an economic problem as they are the result of the abuses of dishonest entrepreneurs and bureaucrats.

The Population

In 1995's first quarter, there was a decrease in real wages. In comparison with December's level, wages, in terms of rubles with the purchasing power of December of 1990, declined by March by 30 percent. In dollars, their decline over this period amounted to 25 percent.

The average per capita incomes in fixed rubles in the dollar equivalent also declined, although to a lesser extent than wages. This decrease in real wages and average per capita incomes in 1995's first quarter was caused by the harsh state policy in the area of the pensions, benefits and wages of workers in the budget-funded sphere against the background of the quite significant inflation rate.

As a consequence of the decline in the population's incomes, the extent to which average consumer spending exceeded the subsistence minimum declined (it amounted to 37 percent in March, while it was 73 percent in December of 1994).

In 1995's first quarter — for the first time in a long time — the population's real average per capita remainder of accumulations (ready cash and in deposits and securities) fell. This is explained by the fact that, during the first 3 months of 1995, despite inflation, the indexing of wages and pensions was not carried out.

The increase in the number of officially registered unemployed persons in 1995's first quarter amounted to 17 percent. By the end of March, they numbered 1.9 million persons. In accordance with the International Labor Organization's methodology, the number of unemployed persons by the end of March has been estimated to be 5.6 million persons (7.5 percent of the economically active population). A year ago, the corresponding indicator amounted to 6.5 percent, i.e., the total increase in unemployment is still quite moderate.

***Russian Industrial Production Figures for Jan-May**

954Q0226A Moscow DELOVOY MIR in Russian 12-18 Jun 95 No 22, p 15

[Data presented by the Russian Federation Government Center for Economic Market Conditions: "Industrial Production in January-May"]

[FBIS Translated Text] **The Russian Federation Government Center for Economic Market Conditions performs monthly monitoring of the dynamics of industrial production in comparable prices for 1993.**

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The analysis is based on the methodology developed by the center for generalizing statistical information on the monthly volumes of production by large and medium-sized enterprises for 330 vital types of industrial products, including the center's appraisal of their output in the current month (in this case—in May of 1995).

Computations show a strengthening of the tendency toward stabilization of industrial production, which has become apparent since the middle of 1994. Thanks to this, there has been a significant slowing in the decline of product output as compared with the corresponding month of the preceding year (in September-October of 1994—around 20 percent; in November—15 percent; in December—13 percent; in January-April of 1995—around 6 percent). In May of 1995, the production volume equalled the level for May of 1994. However, we must keep in mind the fact that in May of last year there was a significant disruption in the dynamics of output of industrial production.

The average daily output of industrial production in May of 1995 declined by 3.2 percent as compared to April. In the fuel-raw material sectors this decline was 3.8 percent, and in the processing sectors—2.2 percent. The growth in average daily output in May as compared to the preceding month due to the effect of seasonal factors is characteristic for non-ferrous metallurgy. Its greatest decline, once again due to seasonal fluctuations, occurred for the timber, wood-processing and cellulose-paper industry (by 15.9 percent).

The average daily output also declined in light industry (by 7.2 percent) and in the building materials industry (by 11.9 percent).

As a result, in January-May of 1995 as compared with the corresponding period for 1994, the decline in the overall volume of industrial production of large and medium-sized enterprises comprised around 5 percent (as compared with 23 percent in January-May of last year in relation to January-May of 1993).

In the fuel-energy complex in January-May of 1995 in relation to the corresponding period for last year, the product output declined by 4.5 percent. Moreover, there has been an increase in the extraction of coal for coking, while the production of coal concentrate and the manufacture of automobile gasoline have been retained at a level close to the volumes for January-May of 1994. The extraction of natural gas has declined by 2 percent, oil drilling—by 3 percent, the production of diesel fuel—by 4 percent, and electrical power production—by 4 percent. The greatest declines are seen in the extraction of coal for power production (by 14 percent) and in the production of fuel oil (by 15 percent).

In ferrous metallurgy, the retention of favorable foreign trade market conditions ensured the growth of product production by 9.5 percent as compared with January-May of 1994. Moreover, the most significant growth was observed for the production of coke, smelting of cast iron and steel, and output of sheet rolled stock and heat resistant materials, with the mining of iron ore and the output of structural rolled stock and seamless pipes increasing to a lesser degree (up to 10 percent). The production of arc-weld pipes has been retained at a level close to that of January-May of 1995, while the output of iron ore pellets has declined somewhat.

In non-ferrous metallurgy, the total output of production is retained at a level close to that of January-May of 1994. At the same time, the production of aluminum oxide and the smelting of refined copper and nickel is increasing, and most notably—the output of aluminum rolled stock. The smelting of primary aluminum has declined by 3 percent. In the chemical and petrochemical industry, the increased demand on the foreign market, primarily for products of ecologically unfavorable types of production, increased the product output in January-May of 1995 as compared with the corresponding period of last year by about 10 percent. The greatest growth is characteristic for nitrogen and potassium fertilizers, apatite concentrate, polyethylene, benzene, styrene and ethylene, with less significant growth for synthetic ammonia, phosphate fertilizers, chemical fibers and filaments and synthetic rubbers. However, production declined for lacquer-paint materials (by 11 percent), tires (by 13 percent), polyvinylchloride resin (by 13 percent), and polystyrene (by 13 percent).

The overall volume of production in machine building declined by 6 percent in January-May 1995 as compared with the corresponding period last year (as opposed to a 44 percent decline in January-May of 1994 as compared to January-May of 1993). The most significant growth was seen in the production of control-cash register apparatus (by 2.4 percent). There has also been an increase in the output of diesels and diesel generators, electric motors operating on alternating current with rotation axis level of 63-355mm, passenger automobiles, buses, tractors, bulldozers, and railroad cargo cars. The production of industrial pipe fittings and rolling-contact bearings has been retained at the level of January-May of last year. However, there has been a significant (by 20-30 percent) decline in the manufacture of lead storage batteries, flexible power cables, wound and enamel-coated wire, and motorized cranes. The output of grain harvesting combines suffered the greatest decline (by almost 2.5 times).

The decline in production in the timber, wood-processing and cellulose-paper industry comprises 1

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percent as compared to January-May of 1994 (while in the corresponding period of last year the decline as compared to January-May of 1993 comprised 32 percent). The favorable foreign trade market conditions provide for significant growth in the output of commercial cellulose, paper (especially newsprint) and cardboard. The production of plywood laminate is also increasing. At the same time, the production of cut lumber materials, wood fiberboard, and wood railroad ties has declined by 12-13 percent.

The decline of production in the building materials industry as compared with January-May of 1994 has reached a level of 11 percent. There has been a certain increase in the output for asbestos-cement sheets. The rates of decline in production of cement, building brick, and window pane glass are relatively insignificant (within the limits of 10 percent). However, a more significant reduction may be seen in the production of porous fillers (by 10 percent), non-metallic building materials (by 13 percent), prefabricated reinforced concrete structures and goods (by 14 percent), soft roofing materials (by 16 percent) and linoleum (by 5 percent).

The production of non-food consumer goods continues to experience fierce competition from the higher quality imported products. As a result, the decline in output of products in light industry in January-May of 1995 comprised 39 percent as compared with the corresponding period for last year. The decline in manufacture of wool thread, wool and silk fabrics and shoes comprised around 20-30 percent; of stocking-hosiery goods and chrome leather goods—around 35-40 percent, and of cotton fabrics and tricot goods—around 45-50 percent. The decline in output of cotton thread was especially significant (by 2.4 times).

In the manufacture of consumer durables, the decline in output of refrigerators, washing machines, black-and-white televisions, household clocks, china-pottery dishware and earthenware is reaching a level of about 30-40 percent. The most unfavorable situation is being seen in the production of color televisions (decline by 3.3 times).

Production in the food industry in January-May of 1995 declined by approximately 13 percent as compared with the corresponding period last year. Growth (on the background of a particularly deep decline in January-May of 1994) is characteristic only for the production of unrectified alcohol made from edible raw materials, vodka and liquor-vodka goods, groats, and commercial edible fish products. There has been an insignificant decline (within the limits of 10 percent of the level for the corresponding period last year) in the output of confectionery goods and flour. However, the decline in processing of meat and category I by-products, granulated sugar, butter and vegetable oil, fatty cheeses and margarine products comprised around 30 percent.

Table 1. Dynamics of production volume by basic sectors of industry in January-May in % of corresponding period of preceding year (in comparable prices for 1993)

	1994	1995
Industry - total	77.1	95.2
Fuel-energy complex	90.0	95.5
Ferrous metallurgy	75.8	109.5
Non-ferrous metallurgy	86.7	99.8
Machine building and metal processing	55.9	94.3
Chemical and petrochemical industry	63.0	109.9
Timber, wood-processing and cellulose-paper industry	68.1	99.0
Building materials industry	67.7	88.9
Light industry	57.3	60.9
Food industry	80.0	87.4

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Table 2. Production volumes in the fuel-energy complex in January-May of 1995

	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Electrical power generated by general use power stations and block stations, billion kW/hr	374.5	61.0	96	99.5
Coal, million tonnes	110.6	19.2	91	89
Including:				
for power production	84.3	14.1	86	84
for coking	26.3	5.1	110	107
Coal concentrate from ore-enriching factories, million tonnes	24.7	4.6	101	100.0
Oil (including gas condensate), million tonnes	127.1	25.6	97	95
Natural gas, billion cubic meters	260.8	48.6	98	98
Primary oil processing, million tonnes	72.4	14.7	96	99
Automobile gasoline, thousand tonnes	11028	2256	99.96	99
Diesel fuel, million tonnes	18.6	3.9	96	103
Fuel oil, million tonnes	25.4	4.8	85	89

Table 3. Production volumes in ferrous and non-ferrous metallurgy in January-May of 1995

	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
FERROUS METALLURGY				
Iron ore, million tonnes	33.3	7.0	106	102
Iron ore pellets, thousand tonnes	11012	2209	96	84
Coke, thousand tonnes	11655	2483	111	117
Cast iron, million tonnes	16.7	3.6	116	121
Steel, million tonnes	21.7	4.6	110	111
Ferrous metal rolled stock, finished, thousand tonnes	16388	3476	113	117

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	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Including:				
structural (including other types of rolled stock)	10217	2178	106	111
sheet stock	6171	1298	126	129
steel pipes, thousand tonnes	1404	277	99	116
Of those:				
seamless	769	160	105	126
arc-welded	598	111	100.8	112
heat-resistant products, thousand tonnes	1206	244	124	117
NON-FERROUS METALLURGY				
Aluminum oxide			108	118
Primary aluminum, including silumin			97	98
Refined copper			107	109
Nickel			110	109
Aluminum rolled stock			121	111
Anode carbon compound			102	98

Table 4. Production volumes in the chemical and petrochemical industry in January-May of 1995

	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Apatite concentrate, thousand tonnes	1387	294	122	125
Synthetic ammonia, thousand tonnes	4538	987	113	105
Caustic soda, thousand tonnes	505	99	102	101
Mineral fertilizers, thousand tonnes	4047	903	122	118
Including:				
nitrogen	2198	489	123	118
phosphate	887	197	118	128
potassium	962	217	123	113

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	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Synthetic resins and plastics, thousand tonnes	803	162	111	142
Of those:				
polystyrene and styrene co-polymers	47.5	9.7	87	124
polyvinylchloride resin and vinylchloride co-polymers	126.2	24.6	87	83
polyethylene	306.9	62.8	141	219
Chemical fibers and filaments, thousand tonnes	97.3	19.1	111	126
Synthetic rubbers, thousand tonnes	347	70.4	116	176
Benzene, thousand tonnes	364	72.7	141	150
Methanol rectificate, thousand tonnes	732	108	100.03	75
Styrene, thousand tonnes	132.6	25.4	123	108
Ethylene, thousand tonnes	739	120	124	175
Tires, thousand	7526	1415	87	119
Of those:				
for trucks	2627	481	86	100.7
for passenger automobiles	4273	812	96	148
Paint and lacquer materials, thousand tonnes	204.5	41.7	89	87

Table 5. Production volumes in machine building in January-May of 1995

	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Diesels and diesel generators	1771	352	104	122
Electric motors operating on alternating current with rotation axis of 63-355 mm, thousand units	178.5	36.1	105	118

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	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Batteries and lead storage batteries, thousand tonnes of lead	28.4	4.7	73	70
Electric lighting lamps, million units	265	41.1	101	110
Reinforced cable, km	14381	2438	86	85
Flexible power cables, km	20410	3605	76	78
Coil and enamel-coated wire, tonnes	16215	3579	75	105
Metal cutting machine tools, units	7660	1455	90	140
Control-cash register devices, thousand units	175	32.9	236	198
Centrifugal pumps, thousand units	85.7	16.9	97	152
Industrial pipe fittings, thousand units	4802	883	99	111
Motor-driven cranes, units	1779	293	79	172
Excavators, units	2396	339	82	97
Bulldozers, units	1166	176	109	150
Machines for municipal and communal services, units	2678	383	97	99.5
Railroad cargo cars, units	2623	413	104	145
Railroad passenger cars, units	304	65	94	103
Trucks, thousand	75.3	13.3	87	89
Passenger automobiles, thousand	344	68.2	115	116
Buses, thousand	19.5	3.9	110	169
Roller-contact bearings, million units	122.3	22.0	100.3	101
Tractors, thousand	11.1	2.1	107	110
Grain harvesting combines, units	1130	543	41	42

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Table 6. Production volumes in the building materials industry in January-May of 1995

	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Cement, thousand tonnes	12900	2885	96	94
Industrial lime, thousand tonnes	2818	522	100.3	98
Building brick, million pieces of standard brick	4784	912	92	94
Reinforced concrete structures and products, thousand cubic meters	8732	1519	86	86
Asbestos-cement sheets, million standard sheets	576	132	115	153
Soft roofing materials and isol, million square meters	138.4	29.8	84	77
Linoleum, million square meters	20.9	3.5	75	78
Non-metallic building materials, million cubic meters	41.9	8.3	87	88
Porous fillers, thousand cubic meters	3025	630	90	98
Window pane glass, million square meters, in natural computation	23.9	4.2	92	107

Table 7. Production volumes of non-food consumer goods in January-May of 1995

	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Household refrigerators and freezers, thousand units	810	157	68	88
Including:				
refrigerators	682	126	66	81
freezers	128	31	78	134
Household washing machines, thousand units	666	114	68	81
Televisions, thousand sets	532	88	46	57
Of those:				
black-and-white	348	59	63	83
color	184	29	30	35
Household clocks, thousand units	9134	1736	68	104

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	Production volume		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Porcelain-pottery dishware and earthenware, million units	125.0	24.3	68	90
Cigarettes, billion	37.1	7.8	90	104

Table 8. Production volumes in light industry in January-May of 1995

	Production volumes		In % of corresponding period for 1994	
	January-May 1995, estimate	May 1995, estimate	January-May 1995	May 1995
Cotton thread, thousand tonnes	57.7	8.5	42	40
Wool thread, thousand tonnes	20.2	3.5	73	110
Fabrics - total, million square meters	704	105	63	67
Of those:				
cotton	455	60.2	55	53
wool	35.2	6.3	79	124
silk	97.1	17.9	82	84
Coats and half-coats, thousand	896	146	59	108
Suits, thousand	1891	387	68	76
Dresses, thousand	4438	791	44	43
Tricot fabric, tonnes	5922	1029	51	48
Tricot goods, million pieces	47.4	7.6	49	55
Stocking-hoisery goods, million pairs	103.9	21.3	64	84
Chrome leather goods, million square inches	313	57.0	62	71
Shoes, million pairs	20.6	3.8	68	62

*Socio-Economic Situation as of 5 June 1995

954E1111A Moscow DELOVOY MIR in Russian 15 Jun 95 p 3

[Report based on data of Russian State Committee for Statistics: "Socioeconomic Conditions on 5 Jun"]

[FBIS Translated Text]

Prices of Consumer Goods and Services

The consumer price index for goods and services for the period from 30 May to 5 June was 101.7 percent: 101.9 percent for foods, 101.1 percent for non-food items, and 103.1 percent for paid services for the population.

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The highest increases in the prices of consumer goods and services during the week were recorded in the cities of the Central Chernozem Region (3 percent), and the lowest increases were recorded in the North Caucasus and West Siberian regions (1.4 percent).

The price indices for goods and services in the consumer market were the following (in percentages):

Categories	in relation to previous recording date			Average daily rise in prices	
	22 May	29 May	5 Jun	30 May-5 Jun	May
Consumer goods and services	102.4	101.3	101.7	0.25	0.25
Foods	102.6	101.4	101.9	0.26	0.27
Non-food items	101.8	101.2	101.1	0.16	0.18
Paid services	103.8	100.8	103.1	0.43	0.34

Foods: Food prices rose more quickly between 29 May and 5 June.

The price dynamics for the main groups of foods are presented below (in percentage of prices on previous recording date):

Foods	22 May	29 May	5 June
All foods	102.6	101.4	101.9
Meat and meat products	102.7	101.3	101.4
Fish and fish products	101.1	100.4	100.7
Edible fats	99.9	99.8	99.8
Milk and dairy products	100.4	100.3	100.2
Eggs	99.5	100.1	99.9
Sugar	102.1	101.4	102.5
Bread and baked goods	104.3	101.2	103.3
Noodles and cereals	101.6	101.2	101.3
Alcoholic beverages	103.3	101.6	102.1
Produce, including potatoes	104.2	102.2	103.7

The highest increases during the week were in the prices of bread, baked goods, and produce: 3-3.7 percent for bread made of the lowest grades of wheat flour and for apples, and 5.5-8 percent for onions, cabbage, and carrots. The price of sugar rose at a slightly higher rate (2.5 percent) than in previous weeks. The prices of frozen fish, milk, cheese, and noodles rose less than 1 percent, and the prices of butter and eggs remained the same.

The cost of the group of 19 dietary staples increased by an average of 2.1 percent throughout Russia during the week and amounted to 184,300 rubles. The maximum cost was still being recorded in the cities of the Far East, and the minimum cost was recorded in the cities of the Volga and Central Chernozem regions. The maximum cost was 3.6 times as high as the minimum cost in cities. The monthly cost of these staples was 333,000-365,000 rubles in Magadan, Petropavlovsk-Kamchatskiy, and Yuzhno-Sakhalinsk,

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103,000-139,000 rubles in Ulyanovsk, Tambov, and Voronezh, 224,000 rubles in Moscow, and 195,000 rubles in St. Petersburg.

Non-food items: The rate of increase in the prices of non-food items was lower than the rate for food prices during the week, just as it had been in May this year.

The dynamics of the prices of the main categories of non-food items are presented below (in percentage of the prices on the previous recording date):

Goods	22 May	29 May	5 June
All non-food items	101.8	101.2	101.1
Fabrics	102.5	102.2	101.4
Clothing and linens	101.8	101.1	100.9
Footwear	101.8	101.2	101.3
Detergents	101.7	100.7	101.3
Tobacco products	103.6	102.5	102.1
Electrical appliances	101.3	100.8	100.7
Medications and dressings	102.7	102.5	101.6
Gasoline	103.5	102.5	102.5

Although the rate of increase in the prices of most non-food items was relatively moderate (0.5-1.5 percent), the prices of linen fabrics, domestic cigarettes, building materials, stationery, certain types of medications, and gasoline rose 2-3 percent.

Paid services: Traditionally higher rates of increase in service costs were recorded in the first week of June this year.

The price dynamics for the main groups of paid services are presented below (in percentage of the prices on the previous recording date):

Services	22 May	29 May	5 June
All paid services	103.8	100.8	103.1
Personal services	102.4	100.9	101.9
Passenger transport	104.4	101.4	102.8
Communications	107.4	100.3	105.5
Housing and utilities	103.8	100.4	103.4
Child care	104.0	100.7	101.9
Health resorts and therapeutic services	102.6	100.0	107.5
Health care	101.7	101.3	101.7

The highest increases were in the rates of urban telephone communications (12 percent) and the services of travel agencies and health resorts (5-8 percent). The rates of bath and laundry services, utilities, and motor transport rose 3-4 percent.

Producer prices of manufactured goods: These prices rose 9 percent during May 1995 and were 3.6 times as high as they had been in May 1994.

The rates of increase in wholesale prices in industry and in the consumer market began to converge in May. The

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difference between the rates of increase in the wholesale prices of manufactured goods for various purposes also decreased perceptibly, as illustrated by the following data:

Categories	In % of previous month		May 95 in % of Dec 94
	Apr 95	May 95	
Industry	115	109	196
Means of production	118	107	202
Intermediate goods	117	110	206
Consumer goods	108	106	174

The rate of increase in the prices of goods was lower in virtually all branches of industry in the past month:

Branches of industry	In % of previous month		May 95 in % of Dec 94
	Apr 95	May 95	
Electrical power engineering	126	115	206
Fuel industry	117	107	216
Ferrous metallurgy	114	109	198
Nonferrous metallurgy	110	105	184
Chemical industry	116	116	214
Petrochemical industry	112	116	197
Machine building	116	107	194
Timber, woodworking, and pulp and paper industry	115	108	196
Construction materials production	111	112	176
Light industry	114	109	183
Food industry	109	106	181

In May this year the rate of increase in the prices of fuel industry products slowed down considerably. The cost of oil and petroleum products rose by an average of 5-10 percent (16-21 percent in April), and the price of coal rose 2 percent (11 percent in April).

Change in Producer Prices for Certain Products of Industry

Products	In % of previous month		May 95 in % of Dec 94
	Apr 95	May 95	
Electricity	125	111	199
Oil	117	106	203
Coal	111	102	206

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Products	In % of previous month		May 95 in % of Dec 94
	Apr 95	May 95	
Gasoline	117	110	237
Diesel fuel	117	109	241
Graded rolled stock	111	110	206
Sheet metal	112	108	200
Steel pipe	112	110	224
Aluminum	111	105	185
Copper	112	107	160
Mineral fertilizers	119	117	224
Synthetic resins and plastics	115	110	200
Chemical fiber and filament	117	107	215
Synthetic rubber	108	124	193
Vehicle tires	110	116	190
a/c electric motors	107	114	182
Low-voltage electrical equipment	113	105	166
Metal-cutting lathes	115	112	187
Passenger cars	111	104	159
Trucks	117	104	204
Excavators	116	116	248
Tractors	125	107	236
Grain combines	138	100	185
Television sets	102	102	150
Refrigerator-freezers	107	105	168
Cement	119	109	192
Washing machines	117	116	213
Asbestos cement (slate) sheet	106	114	183
Prefab reinforced concrete structures and items	105	123	197
Building brick	113	109	168
Building glass	110	106	167
Lumber	109	106	184
Paper	119	113	239
Furniture	106	104	156
Cotton fabrics	126	106	210
Linen fabrics	107	110	185
Wool fabrics	112	123	208

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Products	In % of previous month		May 95 in % of Dec 94
	Apr 95	May 95	
Silk fabrics	116	108	200
Knitwear	109	105	159
Hosiery	107	111	164
Footwear	113	111	166
Granulated sugar	106	106	156
Bread and baked goods made of top- and high-grade wheat flour	113	113	192
Sunflower oil	104	102	151
Beef	107	106	217
Sausage	108	109	185
Whole milk	108	101	205
Butter	96	97	175
High-fat cheese	108	101	217
Frozen fish	107	103	171
All types of cereals	121	108	194

Industrial Output

In January-May 1995 Russian industry produced goods (and work or services) worth 329 trillion rubles in existing prices.

The industrial output in May was equivalent to 101 percent of the output in the same month of 1994. Total output in relation to April was 101 percent, or 102 percent excluding the seasonal factor (94 percent and 96 percent respectively in May 1994).

Industrial output in physical terms in January-May 1995 was equivalent to 96 percent of the output for the same period in 1994 (76 percent in January-May 1994).

The dynamics of industrial output in January-May 1995 varied considerably in different sectors of industry (in percentage of corresponding period of 1994):

Categories	Jan-May	May
Industry	96	101
Means of production	95	98
Intermediate goods	99	103
Consumer goods	86	94

Industrial output **at large and medium-sized enterprises** in different branches in January-May 1995 was the following:

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Branches of industry	In % of same period in 1994		1994 in % of same period in 1993	
	Jan-May	May	Jan-May	May
Industry	95	100.3	74	72
Electrical power engineering	94	99.2	94	88
Fuel industry	98	99.7	86	85
Ferrous metallurgy	111	115	75	77
Nonferrous metallurgy	99.9	100.2	88	85
Chemical and petrochemical industry	109	118	65	60
Machine building	95	99	55	54
Timber, woodworking, and pulp and paper industry	89	96	66	59
Construction materials production	91	98	68	64
Light industry	60	66	59	49
Food industry	89	103	78	75

The output of the main products in January-May 1995 was the following:

Products	Output in Jan-May 95	Jan-May 95 in % of Jan-May 94	May 95 in % of May 94	May 95 in % of Apr 95 (average daily output)	Jan-May 94 in % of Jan-May 93
Electricity, billions of kilowatt-hours*	383	96	100	88	93
Petroleum, including gas condensate, millions of tonnes*	128	98	99	102	85
Primary oil refining, millions of tonnes*	76.8	96	104	105	84
Natural gas, billions of cubic meters*	261	98	98	97	98
Coal, millions of tonnes	111	91	91	94	90
Steel, millions of tonnes	21.7	110	112	100.9	76
Finished ferrous rolled metals, millions of tonnes	16.4	113	117	102	76
Steel pipe, thousands of tonnes	1,419	99.9	124	99	48

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Products	Output in Jan-May 95	Jan-May 95 in % of Jan-May 94	May 95 in % of May 94	May 95 in % of Apr 95 (average daily output)	Jan-May 94 in % of Jan-May 93
Diesel engines and generators, units	1,726	101	106	85	28
Metal-cutting lathes, thousands	7.5	87	115	97	47
Passenger cars, thousands	344	115	116	97	74
Tractors, thousands	10.9	105	104	110	19
Rolling-contact bearings, millions	123	101	106	84	59
Mineral fertilizers, thousands of tonnes	3,967	120	108	92	71
Synthetic resins and plastics, thousands of tonnes	808	111	145	104	69
Chemical fiber and filament, thousands of tonnes	99.2	114	139	93	48
Vehicle tires, thousands	7,555	87	121	102	53
Commercial timber, millions of cubic meters	37.1	93	101	71	64
Lumber, thousands of cubic meters	7,526	86	89	77	69
Fiberboard, thousands of standard cubic meters	1,042	88	99.6	82	71
Paper, thousands of tonnes	1,070	113	123	94	75
Cement, millions of tonnes	13.3	98	106	108	69
Building brick, millions of standard bricks	4,881	94	99.9	98	72
Soft roofing and insulation materials, millions of square meters	141	85	83	89	63
Fabrics, millions of square meters	713	64	72	101	72
Hosiery, millions of pairs*	108	65	87	111	70
Knitwear, millions of items*	48.5	47	42	74	—
Footwear, millions of pairs*	22.6	69	67	88	45

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Products	Output in Jan-May 95	Jan-May 95 in % of Jan-May 94	May 95 in % of May 94	May 95 in % of Apr 95 (average daily output)	Jan-May 94 in % of Jan-May 93
Television sets, thousands	523	45	51	94	68
Vacuum cleaners, thousands	479	63	80	98	40
Radios, thousands	552	96	119	58	40
Refrigerator-freezers, thousands	759	64	59	70	84
Meat, including by-products of 1st category, thousands of tonnes*	899	71	74	99.7	77
Whole-milk dairy products, calculated in milk units, thousands of tonnes*	2,214	76	79	101	82
Bread and baked goods, thousands of tonnes*	4,315	88	91	105	84

* These data include estimates of the output of small businesses and joint ventures, as well as the industrial subdivisions of non-industrial organizations.

Progress of spring sowing: By 5 June 1995 early summer crops had been sown on an estimated 63 million hectares on all types of Russian farms (agricultural enterprises, family farms, and private plots), including grain crops on 42 million hectares, sunflowers on 3.8 million hectares, sugar beets on 1.1 million hectares, potatoes on 3.3 million hectares, and vegetables on 650,000 hectares.

The area sown to early summer grain crops and vegetables by that time was equivalent to around 93 percent of the area occupied by the crops of the 1994 harvest. The area sown to sunflowers was larger than last year's, and the area sown to sugar beets and potatoes was the same as in 1994.

The following data are indicators of the progress in the sowing of early summer crops at agricultural enterprises on 5 June (thousands of hectares):

Crops	1995	1995 in % of 1994	reported figures		
			1992	1993	1994
Early summer crops, millions of hectares	57.2	101	64.7	59.3	56.8
Grain and legume crops (excluding corn), millions of hectares	37.5	101	38.6	36.7	37.2
wheat, millions of hectares	13.6	116	12.4	12.1	11.8
Corn	5,816	91	9,353	8,194	6,370
corn for grain	520	72	850	795	720

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Crops	1995	1995 in % of 1994	reported figures		
			1992	1993	1994
Sugar beets (industrial)	1,043	99.7	1,368	1,239	1,046
Fiber flax	171	—	134	318	252
Sunflowers	3,288	125	2,602	2,465	2,640
Potatoes	327	78	841	678	422
Vegetables	189	105	269	212	180
Annual grasses, millions of hectares	6.3	100.4	7.3	6.4	6.3

The area covered by grain crops for this year's harvest, including remaining winter crops, was around 53 million hectares by 5 June, or approximately 92 percent of last year's area.

Housing Construction in Progress

According to a survey conducted by the Russian State Committee for Statistics, the work on the construction of 87,900 residential buildings (excluding detached private homes) was incomplete on 1 January 1995. The total area of these buildings was listed in planning and estimate documents as 97 million square meters, or three times as much as the annual area of new housing in Russia as a whole.

Interrupted construction projects—i.e., suspended and completely or temporarily discontinued projects—represent 24.5 million square meters (or one-fourth of the total area of unfinished housing). One-fifth of these buildings are federally owned.

The highest percentage of unfinished housing (39.6 percent) is represented by projects which were begun more than three years ago, and 16.3 percent were begun less than a year ago. Half of the buildings where construction work has stopped are categorized as long-term projects.

Around 70,000 of the unfinished buildings, or 79.6 percent, are one- or two-story structures and represent 12.8 percent of the total area. More than a third of these (35 percent) are suspended projects. Suspended projects account for 21 percent of the unfinished high-rise buildings.

Unfinished residential construction projects can be categorized as follows in terms of their level of technical completion:

Level of technical completion, %	Number of buildings, thousands	Total area, millions of square meters	Percentage of total area		
			of all buildings	of projects under way	of suspended projects
Totals	87.9	97.0	100	100	100
0-5	2.7	7.7	8.0	5.8	14.3
5-20	16.6	25.9	26.7	21.8	41.0
20-40	15.5	18.0	18.5	18.0	20.1
40-60	17.4	15.3	15.8	17.2	11.6
60-80	17.2	17.5	18.0	21.1	8.9
80 and over	18.5	12.6	13.0	16.0	4.0

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Projects with a technical completion level of over 60 percent represent one-fourth of the suspended projects and almost half of the ongoing projects.

During the search for sources of financing for the completion of residential buildings, construction organizations will be able to secure the completion of 50-60 million square meters of total area—i.e., more than half of the area of the unfinished buildings.

The highest volumes of incomplete residential construction are concentrated in Moscow, Rostov, Sverdlovsk, Chelyabinsk, Kemerovo, and Tyumen oblasts, the republics of Tatarstan and Bashkortostan, and Krasnoyarsk and Krasnodar krays.

Unfinished buildings in Moscow represent a total area of 2.4 million square meters, which is within the standard limits of housing starts. Most of the projects (80 percent) were begun less than a year ago.

Operations of Joint Ventures and Foreign Enterprises

According to the data of the Russian State Committee for Statistics, there were 15,717 joint ventures and foreign enterprises registered in the Russian Federation on 1 April 1995.

The number of enterprises actually doing business was 8,889, or 57 percent of the number registered, including 7,755 enterprises doing business with distant foreign countries and 1,134 enterprises doing business with CIS countries.

The share of foreign partners in the authorized capital of the enterprises was equivalent to 59 percent.

In January-March 1995 joint ventures and foreign enterprises produced goods and performed services for 8.9 trillion rubles, exported goods and services for 886 million dollars, imported goods and services for 649 million dollars, and sold goods and services for 10.7 trillion rubles in the domestic market (including 1.8 trillion rubles' worth of goods produced by other enterprises).

The following data are the volumes of the exports, imports, and sales of goods by joint ventures and foreign enterprises in the domestic market in the first quarter of 1995 in different parts of Russia:

Regions	Exports, millions of dollars	Imports, millions of dollars	Sales in domestic market, billions of rubles
Totals	886	649	10,726
with distant foreign countries	879	636	10,456
with CIS countries	6.7	12.6	270
Baskhkortostan Republic	2.7	3.6	39.2
Komi Republic	4.3	0.8	63.0
Tatarstan Republic	12.2	5.6	76.7
Krasnodar Kray	6.8	8.2	210.1
Maritime Kray	4.5	9.1	128.5
Stavropol Kray	0.3	1.6	32.2
Khabarovsk Kray	9.7	5.5	39.9
Volgograd Oblast	2.9	2.7	35.0
Irkutsk Oblast	17.0	0.2	15.8
Kaliningrad Oblast	16.5	20.9	153.4
Kamchatka Oblast	14.1	5.9	16.8
Kemerovo Oblast	27.7	3.0	106.9
St. Petersburg	115.6	51.2	671.9
Leningrad Oblast	1.5	14.1	150.3
Moscow	182.2	399.5	4,015

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Regions	Exports, millions of dollars	Imports, millions of dollars	Sales in domestic market, billions of rubles
Moscow Oblast	169.3	4.5	3,465
Murmansk Oblast	4.3	8.1	89.0
Nizhniy Novgorod Oblast	33.8	8.5	107.0
Novosibirsk Oblast	2.4	12.0	78.9
Perm Oblast	2.2	2.9	82.5
Rostov Oblast	1.2	6.4	65.5
Saratov Oblast	2.8	15.8	67.3
Samara Oblast	1.6	2.2	70.7
Sakhalin Oblast	4.4	3.0	27.0
Sverdlovsk Oblast	6.1	12.4	75.4
Tomsk Oblast	0.9	1.5	84.9
Tula Oblast	4.5	1.0	55.0
Tyumen Oblast	142.9	2.7	127.8
Chelyabinsk Oblast	1.7	2.2	40.9

The city of Moscow and Moscow Oblast accounted for 40 percent of all of the exports of joint ventures and foreign enterprises, 64 percent of their imports, and 72 percent of all the goods they sold in the domestic market in January-March 1995.

Joint ventures and foreign enterprises accounted for 4.5 percent of all Russian exports, 6.6 percent of all Russian imports, and 9 percent of all sales in the domestic market.

The predominant products in the commodity structure of exports were fuel and energy resources—41 percent of all of the exports of joint ventures and foreign enterprises (mainly oil), pulp and paper goods—21 percent (commercial timber, cellulose, and newsprint), and metals—16 percent (ferrous rolled stock, aluminum, copper, and nickel).

The predominant types of imports were foodstuffs (around 60 percent) and manufactured goods (over 20 percent).

The highest export volumes of joint ventures and foreign enterprises were the following: 163 million dollars to Germany, 134 million dollars to Great Britain, 92 million dollars to Switzerland, 55 million dollars to Japan, 41 million dollars to Finland, and 40 million dollars to the United States; the highest import volumes were 207 million dollars from the United States, 49 million dollars from Germany, 48 million dollars from France, 36 million dollars from Great Britain, and 29 million dollars from Finland.

*Decrease in Enterprises' Mutual Nonpayments Seen

954E1089A Moscow EKONOMIKA I ZHIZN in Russian May 95 No 21, p 1

[Article by TOR Marketing Center expert G. Bobrov: Enterprises' Nonpayments. A Transition to a New Stage?"]

[FBIS Translated Text] The increase in domestic enterprises' insolvency is continuing, but a trend toward a decrease in it has already emerged. As is well known, one of the main reasons for the increase in nonpayments is inflation, as a result of which, there has also occurred a detachment of the financial market from the economy's real sector. Presently, the Russian Government's Operational Commission on Payment-and-Settlement System Improvement, under the chairmanship of A. Chubays, is studying the problem.

At present, if the entire overdue indebtedness is taken as 100 percent, the concentration of the nonpayments in industry has reached the 73-percent level. Industry is adapting to market conditions with more difficulty than other spheres of production, although certain trends toward an improvement have also been noted here: In January 1994, the insolvency level reached 80 percent. Usually when we talk about overdue debts, we have

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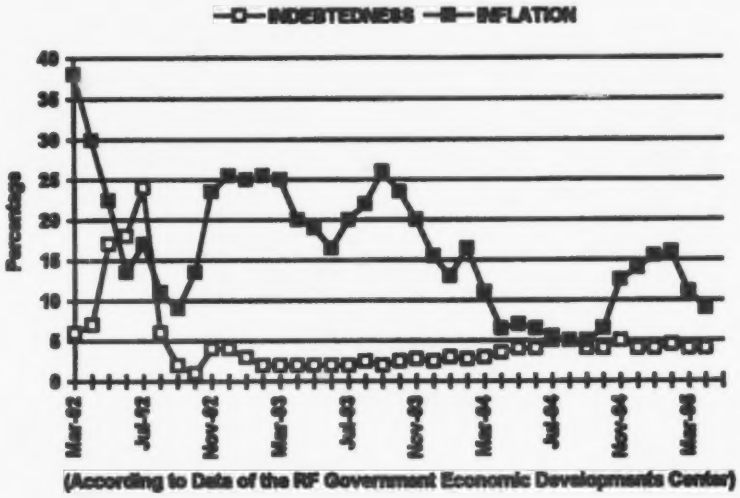
in mind a specified time, over the course of which the payment of the debts was not carried out. Today, the indebtedness overdue by a period of three months, on the whole, amounts to 70.9 trillion rubles [R], while it is R51.3 billion in industry. With respect to the accounts payable between the economy's various sectors, the industrial enterprises are in the absolute "lead." On 1 April, the buyers' total indebtedness to suppliers amounted to R142.5 trillion, including an overdue indebtedness of R78.9 trillion, a little bit more than 52 percent, and R10.2 trillion for state orders. Thus, the correlation between the economy's various sectors lines up as follows: between enterprises—85 percent of the total level, between the state and enterprises—10 percent, and between banks and enterprises—5 percent.

INDUSTRIAL NONPAYMENT AND INFLATION



(According to Data of the RF Government Economic Developments Center)

Production, deprived of the needed amount of monetary assets, has been forced to adapt, having selected simultaneously such forms of adaptation to the market as clearing, barter and... nonpayment. In trying to help domestic production, the state has pursued credit-and-monetary emission, making it possible for "sinking" enterprises at least to stay afloat somehow. For example, the mutual crediting carried out in 1992 was the reason for a sharp decrease in the nonpayments level—from 24 percent of the gross domestic product [GDP] in July of 1992 to 2 percent in September of that same year. We paid for this with a sharp jump in inflation—up to 25-28 percent per month. The increase in nonpayments fluctuated at the level of 3-4 percent of the GDP, but when, as a result of the harsh fiscal policy pursued by the government, inflation began to weaken, their level again began to increase and, in July of 1994, reached its so-called "local peak"—5 percent. Naturally, this is not comparable with the former 24-percent figure, but, all the same, it caused a slight stir among industrialists. The tightening of the money supply in the financial market caught the majority of the debtor enterprises, which were counting on further financial support from the state, by surprise. Thus, the authorities found themselves between a rock and a hard place: on the one hand—inflation, and on the other—nonpayments. As is evident from the graph, both of these phenomena are closely interrelated with one another in the sense that, just as soon as the state makes a routine infusion into industry, right away, there is an increase in the volume of the money supply in the financial market, which does not correspond to an increase in production.

It was necessary to find another, safer method for combating the nonpayments. In August of 1994, the Russian Government adopted a decision to form a special commission in order to uncover the main reasons for the nonpayments between the enterprises and the state and between the enterprises themselves and for the adoption of appropriate measures. There turned out to be many reasons, both local and administrative ones and also general economic ones. The most diverse measures for combating inflation were proposed, including of a financial nature, such as, for example, the expansion of

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note circulation, including the recording and discounting of the enterprises' notes by banks, which is capable of easing the shortage of tender and partially replacing money by using limited-liquidity assets.

During the work, a curious pattern was revealed: In the first half of 1995, the curve of the nonpayments' level and that of the inflation level dropped almost simultaneously. This phenomenon had not been observed in the Russian economy over the last two to three years. The state's consistent fiscal policy and certain favorable changes in the financial market played a substantial role in this. In addition, as the Operational Commission's senior secretary, Candidate of Economic Sciences Mstislav Afanasyev, sees it, this signifies the end of the paternalistic policy which has long been outdated.

"The budget passed by the legislators," he explains, "obliges the executive authority to use financial resources more efficiently and not to expend them on the support of unprofitable enterprises." For their part, the boards of directors have stopped demanding from the federal government a mutual crediting of the nonpayments or indexing of working capital; rather, they are attempting to solve their internal problems independently. Thus, at one of the commission's meetings, the question was broached about how shares may be used for settlements with respect to the nonpayments.

Research results are showing that certain large industrial enterprises are beginning to increase their monetary assets, thereby solving the nonpayments problem. As a rule, these are enterprises whose products are in great demand, for example, the aluminum and footwear industries and the producers of building materials.

"Whereas we previously observed an overall slump in the domestic enterprises' solvency, now it is acquiring a structural and depression nature, close to stabilization," noted M. Afanasyev. "In other words, there may soon emerge a trend toward localization of the payments crisis between enterprises."

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